## **Sales Tax - Transportation Charges**

Is state sales tax due on freight and delivery charges when an item purchased is being delivered?

Generally, freight and delivery charges are not taxable provided the charges are both separable from the purchase and separately stated on the customer invoice. The charges are considered separable from the purchase if the seller allows the buyer to use the seller's transportation service or to use alternative transportation service, including but not limited to the buyer picking up or taking the property from the seller's location.

Taxable delivery and freight charges related to tax exempt sales such as a tax exempt item, sales to a tax exempt charity, or shipping out of state are not subject to sales tax because the delivery charges are considered part of the exempt sales.